



PRESIDENT'S REORGANIZATION PROJECT

Executive Registry

77-1935

WASHINGTON, D.C. 20503

FEDERAL PERSONNEL MANAGEMENT PROJECT
C/O U.S. CIVIL SERVICE COMMISSION
1900 E STREET, N.W.
WASHINGTON, D.C. 20415

July 27, 1977

To: Heads of Departments and Agencies

The Personnel Management Project is a key portion of the President's Reorganization Project designed to make government more effective. The purpose of the Personnel Management Project is to study the basic laws, rules, regulations, and procedures in all phases of personnel management as well as the organization of the Government for personnel administration.

The Project will develop draft Option Papers on a number of subjects relating to Federal personnel management. Those papers will be sent out for review and comment as they are completed.

The first draft option paper is on the subject of an executive service, a copy of which is enclosed for your review and comment. A copy is also being sent to all personnel directors through the Interagency Advisory Group. Please send any comments to Dwight Ink, Executive Director, Personnel Management Project, in care of the U.S. Civil Service Commission, 1900 E. Street, N.W., Washington, D.C. 20415.

The comments should reach Mr. Ink by August 15 to be given full consideration in the Project. It would be very helpful if you could forward your informal preliminary reactions by August 8, in advance of any comments you make formally.

This review period is quite short because of our hope that we can move rapidly enough to recommend a course of action to the President and forward proposed legislation to Congress during this session.

BACKGROUND INFORMATION

The outcome of this study of the Personnel Management Project will affect a minority of Federal employees. These are, however, the managers and executives who have responsibility for managing Government programs, for delivering government services to the public, and for carrying out the policy directions of changing political leadership while maintaining the continuity of government. The personnel practices that relate to these employees have a great effect on the way government works and on the way people perceive that it works.

MORI/CDF Pages
1-3.

EXECUTIVE OFFICE OF THE PRESIDENT • OFFICE OF MANAGEMENT AND BUDGET

The basic issue underlying this paper is: What characteristics of an executive service would best enable the government to serve the needs of the people?

We do not now have a personnel system which enables able employees to compete effectively for higher managerial opportunities in other agencies. Further, when a career manager is willing to take the risks associated with a key leadership role, the employee now may be forced to leave government at the end of the assignment or with a change in the agency head since there are no rights of reversion to a lower level managerial position. At the same time, agency heads are often handicapped in assigning managerial people because of the rigidities of the current system. Moreover, the system is fragmented and inefficient.

NATURE OF THE OPTION PAPER

This paper describes alternative features that a comprehensive personnel system for executives could have and indicates some possible advantages and disadvantages of each choice identified. It describes some alternative models of complete systems and indicates some possible advantages and disadvantages of each. These models are included as illustrations of possible complete systems. The paper is not presenting them as definitive models of personnel systems for executives.

This Option Paper does not make recommendations regarding any of the options or models available. It only describes the options and some points to consider in choosing among them.

REVIEW OF THE OPTION PAPER

As you can see, this review of the draft Option Paper provides an opportunity to get a wide range of views on the issues and alternatives involved. The comments you and others make at this stage will help to shape the direction of the Task Force's continuing study of this subject.

In reviewing this draft, we suggest the following:

1. Focus the comments on:
 - Adding viable options which may have been omitted.
 - Indicating preferences for particular options, or for an option not included.
 - Telling us what you think is undesirable or won't work.

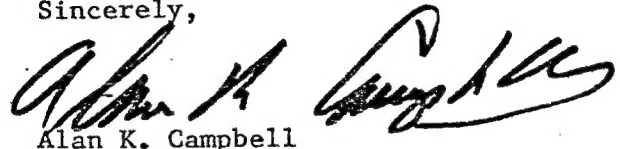
2. Get the views of all groups in your agency which would be directly affected by a new personnel system for executives. You will need to discuss the options with senior careerists (both managers and nonmanagerial professionals), with supergrades in Noncareer Executive Assignments, and with Executive Level appointees. It would also be desirable to get input from the field.
3. Prepare as detailed a report as possible on the viewpoints within your agency. We do not expect these viewpoints to represent agency consensus. On some issues, interests of top management and of career employees will coincide; on others they can be expected to diverge significantly. It is very important that differences of opinion not be submerged.

Do not feel constrained by the options outlined in the attached package. It is impossible to list all conceivable alternatives; if you or your colleagues can devise approaches other than those listed, the Task Force will welcome them.

The Task Force needs ideas in all the areas discussed in the Option Paper. The Task Force has asked that we give some special thought to the matter of incentives for better management - what kinds of benefits would help to attract, retain, and motivate top-quality managers for Government programs.

The Task Force will remain receptive to additional comments and suggestions. Thank you for your help in this important process of shaping this study of the Personnel Management Project.

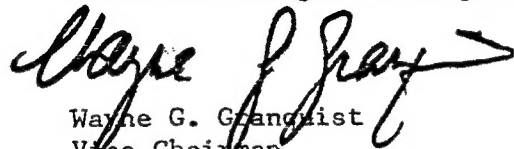
Sincerely,



Alan K. Campbell

Chairman

Personnel Management Project



Wayne G. Grandquist

Vice Chairman

Personnel Management Project

Enclosure

STAT

Page Denied